revamping measures and also availability of funds through budgetary support. It may be stated that as required under the provisions of the Sick Industrial Companies Act, 1985, as amended recently, both FCI and HFC have referred their cases to the Board for Industrial and Financial Reconstruction (BIFR) which has since declared them as sick companies.

(c) Since these outlays have been made to only revive the sick units, no further employment is possible.

Plan to revamp Madras Fertilizers Ltd.

3582. SHRI S. MADHAVAN: Will the PRIME MINISTER be pleased to state:

(a) whether Government have approved any plan to revamp the Madras Fertilizers Ltd.;

(b) if so, what was its cost as on May, 1991 and what is its cost as on date; and

(c) what steps have been taken to implement this plan?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) Yes, Sir.

(b) The proposal was approved in May, 1991 at an estimated cost of Rs. 314.35 crores (Based on July, 1990 price level).

The revised cost now anticipated is Rs. 489 crores.

(c) Although the project was approved in May, 1991, its implementation was held in abeyance and revalidated in October, 1991. In the meantime, due to devaluation of Indian rupee and other factors, the cost of the project has increased. The revised estimates are being processed for approval. Govt. have approved in November, 1992 the process licence agreement with foreign consultants.

Rise in Prices of Essential Drugs

3583. SHRI KAMAL MORARKA: Will the PRIME MINISTER be pleased to state:

(a) the production of essential drugs during 1990-91, 1991-92 and 1992-93 up to September 92 and their prices during the above period;

(b) the reasons for decline, if any, in the production of essential drugs and rise in their prices; and

(c) the manner in which the new drug policy addresses to the problem of shortage of essential drugs and rise in their prices?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) and (b) To the extent information available, the names of some commonly used bulk drugs whose production is being monitored are given in the enclosed statement. The reasons for fall in production can be attributed to one or a combination of factors like economic viability, drug obsolescence, fall in market demand due to introduction of better or more potent and safer drugs, corporate plans of the unit etc. The prices of price controlled drugs are fixed/revised by the Government on the basis of cost-cum-technical studies conducted by BICP and the escalation formula provided by BICP in their reports and in accordance with the provisions of DPCO 1987. The revision in prices of drugs is an ongoing exercise. These increases are allowed to avoid shortages and to ensure the availability at reasonable prices. The names of bulk drugs whose prices have been revised during the period January to November 1992 with their previous prices and revised prices were given in respect of Rajya Sabha Unstarred Question No. 3807 answered on 3.12.1992.

(c) A background note on the review of the Drug Policy explaining the various issues and the proposals under